

IN THE CLAIMS:

1. (Withdrawn) A method of option creation for an asset that has a value that varies over time, comprising the steps of:

(a) viewing on a computer screen connected to a computer a graphical display that shows the values of the asset over time;

(b) drawing a zone on the graphical display, wherein said zone is located in an area of the display that corresponds to future potential asset values, and wherein said zone represents a proposed option on the asset; and

(c) in response to a displayed win ratio, entering preferred settings for said option.

2. (Withdrawn) The method of claim 1, wherein said preferred settings comprise a desired price to be paid for said option.

3. (Withdrawn) The method of claim 1, wherein said preferred settings comprise a desired payout amount for said option.

4. (Withdrawn) The method of claim 1, wherein said zone is rectangular.

5. (Withdrawn) The method of claim 1, wherein said graphical display comprises a time-price curve.

6. (Withdrawn) The method of claim 1, wherein said asset is currency.

7. (Withdrawn) A method of option creation and pricing for an asset that has a value that varies over time, comprising the steps of:

(a) receiving data representing values of the asset over time;

(b) storing said data in a computer-readable medium;

(c) transmitting data representing the values of an the asset over time to a remotely located computer;

(d) receiving from said remotely located computer values representing parameters of a proposed option on the asset;

(e) calculating a win ratio for the proposed option; and

(f) transmitting said win ratio to said remotely located computer.

8. (Withdrawn) The method of claim 7, wherein said proposed option is a box option.

9. (Withdrawn) The method of claim 8, wherein said parameters of a proposed option comprise a start time, and end time, an upper limit, and a lower limit.

10. (Withdrawn) Computer software for generating a graphical display of an option for an asset that has a value that varies over time, comprising:

(a) software for receiving and storing data representing values of the asset over time;

(b) software for displaying said values on a computer screen;

(c) software for drawing ~~zones~~ on said computer screen at least one zone representing the option; and

(d) software for transmitting parameters of said zone(s).

11. (Withdrawn) The method of claim 10, further comprising software for receiving and displaying a win ratio.

12. (Withdrawn) The method of claim 11, further comprising software for using a win ratio to calculate and display an option price.

13. (Withdrawn) The method of claim 11, further comprising software for using a win ratio to calculate and display a payout amount.

14. (Withdrawn) The method of claim 10, wherein said zones are rectangular.

15. (Previously presented) A method of pricing box options for an asset that has a value that varies over time, comprising the steps of:

(a) receiving data representing values of the asset over time;

(b) receiving data representing parameters of a box option on the asset;

(c) computing a probability of the value of the asset hitting the box from the front;

(d) computing the probability of the value of the asset hitting the box from the top;

(e) computing the probability of the value of the asset hitting the box from the bottom;

(f) computing the probability of the value of the asset hitting the box anywhere; and

(g) computing a price for the option by multiplying a modified probability p' times an amount of money to be paid for hitting the box, then adding a transaction fee, wherein said modified probability p' is calculated according to the formula:

$$p' = \frac{(1+c)p}{1+cp}$$

where c is a non-negative safety parameter and p is the probability of the value of the asset hitting the box anywhere.

16. (Original) The method of claim 15, wherein the probabilities of the value of the asset hitting the box from the front, top, and bottom are computed using a plurality of volatility scenarios.

17. (Original) The method of claim 16, wherein the probability of the value of the asset hitting the box from anywhere is computed according to the formula:

$$p = \sum_{i=1}^m w'_i p_i$$

where p_i is the probability of hitting the box anywhere for an i th volatility scenario, and w'_i is an normalized weight of Hermite integration.

18. (Original) The method of claim 15, wherein the transaction fee is zero.

19. (New) The method of claim 15 wherein the asset is currency.